

**SIX DOLLARS
PER QUARTER**

Mails

Intimations.

DAKIN BROS. OF CHINA LIMITED, CHEMISTS.

XMAS SEASON.

WE beg to invite attention to our stock of articles suitable for CHRISTMAS AND NEW YEAR GIFTS. Toilet Fittings in Crystal and Silver. Liqueur Stands. Smokers Cabinets, &c.

CONFECTIONERY.

English, American, and French Bon Buns and Crackers.

WINES AND SPIRITS.

All well matured and of English quality.

MANILA CIGARS AND CHEROOTS.

Manufactured expressly for us by La Constancia Factory.

DAKIN BROS. OF CHINA, LIMITED, LONDON-HONGKONG-AMOI.

(Telephone No. 60.)
Hongkong, 16th December, 1889.

WINES AND SPIRITS.



BY APPOINTMENT.

A. S. WATSON & CO., LD.

(ESTABLISHED A.D. 1841.)

HONGKONG.

WE invite attention to the following old landed brands, all of which are of excellent quality and good value for the money. The same being specially selected by our London House, and bought direct from the most noted Shippers, are imported in wood and bottled by ourselves, thus enabling us to supply the best goods at moderate prices.

BEING in order that it is only necessary to state the name and quantity of Wine or Spirit wanted, and initial letter for quality desired.

Orders through Local Post or by Telegram receive prompt attention.

PORTS. (For Invalids and general use.)

	Per Dozen	Case	Per Doz.
A. Alto Douro, good quality, Green Capsule.....	10	\$1.00	
B. Vintage Superior quality Red Capsules.....	12	1.10	
C. Fine Old Vintage, superior quality, Black Seal Capsule.....	14	1.25	
D. Very Fine Old Vintage, extra superior, Violet Capsule (Old Bottled).....	18	1.50	

SHERRIES.

A. Delicate Pale Dry, dinner wine, Green Capsule.....	6	0.60	
B. Superior Pale Dry, dinner wine, Green Seal Capsule.....	7.50	0.75	
C. Mahanilla, Pale Natural Sherry, White Capsule.....	10	1.00	
CC. Superior Old Dry, Pale Natural Sherry, Red Seal Capsule.....	10	1.00	
D. Very Superior Old Pale Dry, choice old Wine, White Seal Capsule.....			
E. Extra Superior Old Pale Dry, very finest quality, Black Seal Capsule (Old Bottled).....	14	1.52	

CLARETS.

A. Superior Breakfast Claret, Red Capsule.....	4	\$1.50	
B. St. Estephe, Red Capsule.....	4.50	5.00	
C. St. Julien.....	11	12.00	
D. La Rose.....			

BRANDY.

A. Hennessy's Old Pale, Red Capsule.....	12	\$1.10	
B. Superior Very Old Cognac, Red Capsule.....	14	1.25	
C. Very Old Liqueur Cognac, Red Capsule.....	18	1.50	
D. Hennessy's Finest Very Old Liqueur Cognac, 1872 Vintage, Red Capsule.....	24	2.00	

SCOTCH WHISKY.

A. Thorne's Blend, White Capsule.....	8	0.75	
B. Watson's Glenorchy Mellow Blend, Blue Capsule with Name and Trade Mark.....	8	0.75	
C. Watson's Abolour-Glenlivet, Red Capsule with Name and Trade Mark.....	8	0.75	
D. Watson's H. & D. Blend of the Finest Scotch Malt Whiskies, Violet Capsule.....	10	1.00	
E. Watson's Very Old Liqueur Scotch Whisky, Gold Capsule.....	12	1.10	

IRISH WHISKY.

A. John Jameson's Old, Green Capsule.....	8	0.75	
B. John Jameson's Fine Old, Green Capsule.....	10	1.00	
C. John Jameson's Very Fine Old, Green Capsule.....	12	1.10	
D. Genuine Black & White, Green Old, Red Capsule, with Name.....	10	1.00	

GIN.

A. Fine Old Tom, White Capsule.....	4.50	0.40	
B. Fine Unsweetened, White Capsule.....	4.50	0.40	
C. Fine A. V. H. Geneva.....	5.25	0.50	

RUM.

Finest Old Jamaica, Violet Capsule.....	12	1.00	
Good Leeward Island.....	1.50	per Gallon.	

LIQUEURS.

Benedictine	Maraschino
Curacao	Herring's Cherry Cordial
Chartreuse	Dr. Sieget's Angostura Bitters, &c.

NOTICES TO CORRESPONDENTS.

It is requested that all communications relating to Subscriptions, Advertisements, &c., be addressed to the "Manager, Hongkong Telegraph," and not to the Editor. Letters on Editorial matters to be sent to "The Editor" and not to individual members of the staff. Communications intended for publication must be accompanied by the name and address of the writer, not necessarily for publication, but as evidence of good faith. While the columns of the Hongkong Telegraph will always be open for the free discussion by correspondents of all questions affecting public interests, it must be distinctly understood that the Editor does not in any way hold himself responsible for opinions thus expressed.

TO ADVERTISERS.

Advertisements are requested to forward all notices intended for insertion in that day's issue not later than "Three O'Clock" so as not to retard the early publication of the paper. Advertisements and Subscriptions which are not ordered for a fixed period will be continued until countermanded. The Hongkong Telegraph has the largest circulation of any English newspaper published in the Far East, and is therefore the best medium for Advertisers. Terms can be learnt on application. The Hongkong Telegraph's number at the Telephone Central Exchange is No. 2.

TO SUBSCRIBERS.

Subscribers to the Hongkong Telegraph are respectfully reminded that all Subscriptions are payable in advance.

MARRIAGE.

On the 4th inst. at H.I.G.M.'s Consulate, Swatow, and afterwards at Kak Chioh Chapel, by the Rev. Mr. Gibson, MAY HENRIETTE, oldest daughter of Captain Piersdorf, to I. H. M. NOODT, I. M. Customs, Lappa (Macao).

The Hongkong Telegraph

HONGKONG, FRIDAY, JANUARY 17, 1890.

TELEGRAMS.

(From the *Courier d'Haiphong*.)

EUROPE ADVANCES.

PARIS, January 16th.

The *Times* publishes a telegram from Zanzibar stating that a sanguinary combat has taken place between Major Wissmann and the Banaheri. Fifteen Germans were wounded. The King of Dahomey is dead.

SPAIN.

The ministerial crisis continues. The King is better.

LOCAL AND GENERAL.

THERE will be a game of Polo on the Race-course, to-morrow, at 4 p.m.

THE Sessions will open to-morrow. There are only seven cases, and ten prisoners.

DR. Allen, late Secretary to the Korean Legation in Washington, arrived at Seoul on the 5th inst.

THE members of the Cricket Club are reminded of the meeting at the Pavilion to-morrow afternoon, to arrange about the Bill.

MR. Commissioner R. E. Bredon took over charge of the I. M. Customs at Shanghai from Mr. Acting Commissioner H. M. Hillier on the 14th inst.

ON account of the Chinese New Year holidays there will be no night boat to or from Canton on Tuesday and Wednesday next, or to or from Macao on Tuesday.

ADMIRAL Sir Nowell Salmon went up to Canton the day before yesterday, in torpedo-boat No. 37. When turning, near Shamen, the vessel ran into the steam-launch *Kate*, which was moored at a buoy, and cut her down amidstships, sinking her. No one was hurt.

THE *Journal El Imparcial* of Madrid publishes a telegram from Barcelona stating that the authorities in that city have discovered some documents and proclamations destined for the Philippine Islands, tending to loosen the bonds of union between that colony and the mother country.

VICEROY Tseng, of the Liang Kiang, has issued a notice to the effect that on account of this year's bad harvests the pawn-shops should not charge any interest on any cotton jackets, trousers, long coats or cotton-hedding pawned for sums of less than Tls. 2. This notice is to take effect from the 1st of the 11th moon, to the end of the year.

FIFTY police set out on the 29th December from Quing-yen, Tonquin, to disperse a band of pirates who were raiding the district, and had kidnapped about sixty women and children. After some day's journey through thick jungle, they captured two of the pirates' sentries, and from the information they gave, attacked them next morning. Seventeen Chinese and six natives were killed, including the chief, and the rest were dispersed. Fifty-four of the women and children were rescued.

THE Chinese Resident, Mr. Yun, a correspondent writes, sought an audience with the King of Korea, on the 15th of December, but his request was declined. The object of the Chinese Resident is believed to have been to demand the punishment of Mr. Bok, Minister of Korea to the United States. His request for audience having been declined, he became very angry and threatened to leave Seoul, but he is said to have been dissuaded from carrying out his threat through the mediation of Mr. Ko Saig, a Cabinet Adviser.

THE *Shanghai Mercury* publishes the following news from Seoul, received under date of the 6th inst.:—"Pak has been degraded and sentenced to exile by demand of Yuan, personally, at the palace. The Powers for independence must act now, if ever." It adds:—"We have also received a letter, dated the 28th Dec., in which our correspondent says:—"I have good reason for believing that China will be driven to act shortly. The King has promoted Pak, and he now goes to Court regularly. This is a pretty big bit at Yuan. Yuan has protested, but he can do nothing effectually without an army, and if he lands troops the Japanese are sure to do the same. I believe we shall get it rough before the spring."

THE *Hyogo News* says:—"As will be seen by a notice which we publish in another column, M. P. Falque, who has so ably represented the interests of the Messageries Maritimes Co. at this port, is very shortly leaving us, already having handed over charge to M. Jublot, who was formerly the company's agent in Haiphong, whither M. Falque goes. The increasing trade with Tonkin necessitates an energetic man at the head of affairs there, and M. Jublot's health having been severely injured by the climate, M. Falque has been chosen to do for the company's business in Haiphong that which he has so successfully accomplished here. The chief business with which M. Falque is charged is the organization of a regular service to Hongkong, for which purpose a large plot of land has been acquired at the Haiphong end of the new line, upon which will be erected offices, warehouses, wharves, &c.

THE defaulting shroff who embezzled \$3000 belonging to Ho Tim was committed to trial, by Mr. Robinson, at the Police Court late yesterday afternoon.

A REGULAR meeting of Victoria Lodge, No. 1026, will be held in Freemasons' Hall, Zetland Street, on Wednesday, the 22nd instant, at 8.30 for 9 p.m., precisely. Visiting brethren are cordially invited.

MR. A. R. COLQUHOUN, recently suspended from his duties in the Burma Commission, sailed from England for South Africa on 30th November in connection with the British South African Company. It is understood that the whole case, both for and against that gentleman, is now being considered by Lord Cross, who will probably not give his decision for a few months.

ON New Year's Eve, whilst Inspector Nicholson of the Singapore police, was proceeding in a boat to a Malacca station to pay the men there, a squall overtook him, the boat capsized, and the inspector \$300.75 he had in a box went to the bottom. The boat had a very narrow escape, as he was at the time about 14 miles off the land, clinging to the boat nearly four hours.

ACCORDING to a Penang paper, the Turkish frigate *Ertogroul* will leave Singapore in a few days on her return journey to the Ottoman capital, and intends putting into Penang. Great satisfaction is being expressed by the Mohammedan community of that Settlement that they will thus be afforded an opportunity of beholding one of the men-of-war of the great Padisha of Stamboul.

THE Band of the Argyll and Sutherland Highlanders will play the following programme at the Barrack Square, this evening, commencing at 7 o'clock:—

March, "Nimble with the gun".....Waken. Lancers.....
"Fast up to Date".....Lancers.....
"A Summer night in Munich".....Cellier. Polka.....
"See me Dance".....Solomon. Quadrille.....
"Olympia".....Williams. Galop.....
"Always Jolly".....Zitoff.

THE *Regimental News* for December says:—"A rumour has reached us that we remain here for another year and then proceed to Halifax, Nova Scotia—a very good station, we believe, but a little cold to arrive at in January. If it is really true we shall, on our return home, be the first regiment that has ever been right round the world, and we shall have served in all four continents."

THE Governor-General of the Philippines has decided upon turning the Sooloo Islands into a convict colony. Formerly it was a nest of pirates. Steps will also be taken to foster trade and industry there. The points in the islands will be free from duties for 25 years. Roads will be made, and every facility given for the cultivation of the soil. It only requires a change of official policy in the direction of encouraging commercial enterprise to render the Sooloo Islands a centre of activity and national wealth within a few years.

RAJAH FRANCIS has a chance here. The British Resident at Selangor is offering for sale, on behalf of the estate of the late Sultan of Perak, a real crown. The advertisement describes it as "A Malay State Gold Crown (Macao) studded with about one thousand brilliant, some of which are over 12 Carats in weight, and all apparently of the finest quality of Landsk and other Diamonds, value estimated at \$37,000." Also, a Gold Sirih Box (Puan) studded with Diamonds, and of great beauty, estimated value \$7,000. On His Majesty of Siam might fancy it, if the Hongkong Dispensary people would only "stand" it.

ACCORDING to the *Yiji Shitup's* correspondence dated 26th, December 27th, new palace buildings are to be erected there in European style. A French architect was engaged last fall to superintend the work, at the salary of two hundred and fifty yen, *per mensem*. But materials not being at hand, a Japanese is said to have entered into a contract with the Korean Government to finish it in fifteen months. The whole area of the buildings to be erected is said to measure 327 *tsubo*, and the contracted cost of construction is put at 71,500 yen. At the time of writing, the contractor was about to visit Tokyo and Osaka to obtain the co-operation of capitalists.

FROM the sale of the *Kulling*, our Tientsin contemporary says, we infer that Mr. Little and his fellow-shareholders have at length been worn out by the exasperating tactics of the Chinese Government, and that so far as they are concerned the navigation of the Upper Yangtze will remain where it has been for the last thousand years. No one can blame them. No body can be expected to fight a public battle at his own charges, and it was not the business of the owners of the *Kulling* to spend their substance in vindicating a national treaty. It was the business of the British Government to insist on due honour being shown to the signature of its Minister, and its failure to do so can only arise from an utter misconception of the situation. Evil consequences to foreigners as well as to China will surely arise from this *fiasco*.

IN estimating the labors of our police force a very large allowance must be made for the resultless work which they do. A good instance of this occurred the other morning. A little before two a.m. a man reported to Inspector Swanson that a lot of armed pirates had swooped down on his family-house and stolen a quantity of valuable goods. A telegram was sent to the Central Station, asking for assistance, and all the European detective staff had to turn out of their warm beds and go down a police launch being sent to pry round Quarry Bay. After a long, cold, muddy search for the house, they found that it was a miserable hut, which three men, armed with sticks, had raided. The officers, though disgusted at the news, determined to find the thieves, but when, near by, they found that the plunder—only a few dirty old clothes—had been thrown down as valueless, their righteous indignation was unexpressable.

THE last memorial on railways, says the *Chinese Times*, is by the Viceroy Chang Chih-tung, and has been endorsed by the Seventh Prince. It is to the effect that China shall build no railways whatever until she can do it with her own iron. This should turn the attention of the Government more than ever to mining operations. In any case, it extricates Chang Chih-tung from the bog into which he fell in respect to his wild scheme of a Hankow line.

AN extraordinary accident happened at the Concordia Club Bowling Alley, Shanghai, on the evening of the 10th inst., says a contemporary. The third officer of the *Bayerna*, a fine, strong, young fellow, had just delivered a ball, and in recovering himself, crossed his legs. A crack was heard and he found himself unable to stand, and sat down on the floor. Two doctors were present, and they attended to him at once and found that he had broken his left thigh bone. He is now in the hospital. It is a fact, surgically recognised, that the muscles are sometimes too strong for the bones to which they are attached, and in contracting break a bone; this is probably such a case.

DAKIN Bros. of China are making a bid for Chinese patronage by issuing a calendar in the heathen hieroglyphic. It is large, extensively gilded, and as far as we can judge, is something unhealthily Chinaman should be without. The design is allegorical, shewing a gentleman feeding a pill into a trumpet belonging to a fish which is chained to a plate-full of fruit, surrounded by the characters "Indigestion."—Watson and Co. have added another joy of the same sort to the Chinese New Year. It is mounted on cardboard, and apparently contains the same interesting kind of information. Groups of Celestial ladies with noses like into those of the daughters of Shem adorn the margin to some degree, and portray the various stages of sickness.

CONSIDERING how well the Deli planters say they treat their coolies, the latter give a deal of trouble. A Dutch paper states that on the Tandem Hill estate in Lower Langkat, a coolie riot last month reached such proportions that armed police had to intervene. They found themselves obliged to open fire on the rioters, who soon quieted down on a volley, killing six of them and wounding five more. The police, thus set at defiance, mustered 34 strong under European leadership. This incident shows how far Chinese presumption will go when they can raise the heel against authority with fancied impunity. A still more striking example of this took place on the 22nd December, on the Amplas estate, where the coolies went beyond bounds as to refuse to work unless three overseers were discharged. They so stiffly stood by their demands that all efforts to quiet them failed. Emboldened by the inactivity of the police on the spot, about 600 coolies set upon them with such violence that fire had to be opened on the raging mob. Twenty-five of the latter fell, and the balance lost no time in seeking safety in flight. Most of them came back soon and quietly resumed work. They were so cowed as to offer no resistance to the arrest of 21 of their ringleaders.

AN unusually large attendance of members honored Mr. D. E. Caldwell last evening, when he lectured to the Literary Society on "Art: Its principles and practice." Dr. Canille, the vice-president, took the chair.—Mr. Caldwell, in his introduction, referred to the instinctive leaning towards the cultivation of the beautiful and the desire to imitate, natural to humanity, and its development in proportion to the stage of civilisation reached. After some preliminary remarks upon the mission of art, interspersed with interesting quotations, he commented upon the necessity for incessant observation on the part of intending artists, for subsequent use, as in dawn and sunset effects, etc. He then dealt lengthily with the practical side of his subject, and although his discourse referred to very elementary details, he contrived to invest it with a great deal of interest by means of illustrations of the vanishing point, perspective, etc. Just as he was warming to his subject, however, the advancing hours necessitated an adjournment, and the remainder of the lecture was postponed until Wednesday next.—Among subsequent papers to be read are—"On Coal Gas Manufacture," by Mr. F. W. Cross, "on 'The Climate of Hongkong'" by Mr. Bruce Shepherd, and a third on "Milk," by Mr. J. P. da Silva. There are also four debates on the agenda.

ABOUT half past 9 o'clock on the morning of the 7th inst. a Brunei man named C'Niang, who was living with several others in a house situated at No. 183, Arab Street, Singapore, seized a kris and a parang, and with one in each hand ran amok, killing one man outright, and seriously injuring several others. He then ran out at the back of the house through another house further up the street, where he stabbed a Malay in the head before getting into the open thoroughfare. On arriving in the street, the infuriated Dyak ran away towards the beach, stabbing at every person he met. A couple of Malay detective constables happened to be near the place, and at once made after him. One of them got up with him, and received a stab on the leg, which stopped his progress slightly, while the murderer ran on towards the beach, where he threw the knives into the water before he could be arrested. According to an eye-witness, the previous night a fire broke out in the house of a Malay, but the fire was soon put out owing to the neighbours' speedily hastening to the spot. The next morning, at 9 o'clock, the shopkeeper found fault with C'Niang, who happened to be lodging in the house, on account of something which took place at the fire. The fellow, all of a sudden, went to the back of the house and stabbed to death two of his companions. The third one escaped through a window and gave the alarm. The door of the house was locked, but the murderer managed to escape through the back, and got into another house, where he wounded a boy.

WE hear that Admiral Ting, Commander-in-Chief of the Pei-yang Squadron, and some of the officers in his fleet, are anxious to join the Masonic fraternity. There is, however, a very strict law in China prohibiting employees in the Government service from entering any society which requires oaths to bind its members to secrecy.

THE Cricket Dance to be given on Monday the 27th instant will probably be a subscription dance at the rate of five dollars per member attending, and five dollars for each guest—ladies excepted.—Invited by a member. Members wishing to subscribe should at once notify the H. N. Sec. to the Dance Committee at the Hongkong Club, and at the same time send in the name or names of the guests they may wish to be invited.

THE *soki* who was arrested on board of cargo boat No. 1278, the other day, by Detective-Sergeant Melver, for having in his possession six bags of myrrh, was fined this morning by Mr. Robinson, at the Police Court, the sum of \$25, or six weeks hard labour. He denied being implicated in the theft, saying that the master of the boat "knew all about it." A warrant in the meantime has been issued against the master of the cargo-boat for his arrest, as he is believed to be the principal thief. The Chinese agents who had shipped the myrrh also appeared to claim the stuff, but the steward who was in charge of the landing of the goods could not swear to ownership, although no other claimant has appeared, so his Worship refused to release the property.

A JAPANESE paper gives additional details of the plot to assassinate the King of Korea. It appears that there is a wide-spread belief among the mass of the people in the peninsular kingdom that the reign of the present dynasty is drawing to a close. In the present instance, the conspirators are reported to have plotted in the interest of a family called Ko, which family is alleged to have been indicated by a certain personage of prophetic ability as the successor of the dynasty now in power. It is further reported that the conspiracy has ramifications throughout the whole peninsula, and that several Ministers of State are implicated in it. These Ministers, it is said, are endeavouring to have the prisoners beheaded as fast as possible, so that their own connection with the plot may not be disclosed.

A TELEGRAM from Foochow, dated the 12th inst. says:—"A great fire broke out on Friday night in the foreign settlement at Nantai. Sixty native houses were destroyed, the area over which the flames extended being from Rozario's to the back of Schöfled's. Hing Chong's, Kaw Hong-take's, the Bazaar, Baboo's, and Rozario's are burnt down."

[The fire appears to have broken out at the top of Water street, a lane leading from the river to one of the principal business streets of the foreign settlement, up the slope of the hill leading to the foreign residences outside the settlement. This street consisted principally of Chinese houses, with a few foreign bongs scattered among them. Messrs. Adamson, Bell & Co.'s and Russell & Co.'s premises are in the same street, but they both, we understand, escape, while Hing Chong's has been destroyed. Messrs. Russell & Co.'s loss amounts to about \$200, which was covered by insurance. Baboo's was a habery and general store, kept by a Malay; Kaw Hong-take a Chinese hong belonging to a British subject; the Bazaar, which was Chinese owned, was a butchery and provision store; Mr. Rozario is the printer and publisher of the *Foochow Echo*. The native shops were mere shanties of mean appearance, but usually contained a large quantity of valuable goods, so that the Chinese loss is probably very heavy. Baboo is insured. A fire, attended with great destruction of property, occurred in the same locality about two years ago.]—N. C. Daily News.

THE HONGKONG-SINGAPORE CABLE.

The following letter has been addressed by Mr. W. Judd, manager of the Eastern Extension, Australasia, and China Telegraph Company, to the Hon. A. P. MacEwen, under date the 13th January:—

DEAR SIR,—Since my return to Hongkong last month I have read your speech in the Legislative Council on the 4th December, and the discussion thereon relative to the proposed Cable to Singapore.

As the estimate of cost named by you (£100 per mile) is not in accordance with our experience and as I gather that the Public have not clearly noted the distinction, both in cost and in other respects, between the first proposed Direct Cable to Singapore, and the subsequent proposal to carry the cable via Borneo, I now wish to set forth as clearly as possible a statement of the cost and other considerations involved by the two schemes.

First of all, my Directors would wish it to be distinctly understood that their terms for both plans have not been put forward on their own initiative, but have been given in response to enquiries addressed to them by the authorities and others interested in the establishment of a line of telegraph between Singapore and Hongkong which should be purely under British control.

In 1885, and again in 1888, enquiries were addressed to my Directors as to the terms upon which the Eastern Extension Telegraph Company would establish and maintain a direct cable between Singapore and Hongkong. In reply, the company stated that they were prepared to establish and maintain such a line for a yearly subsidy for 20 years of £15,000. The steamer distance between Hongkong and Singapore is 1,450 knots, to which must be added 10 per cent. to allow for the inequalities in the sea-bed, *allowances* to avoid shoals, rocks, &c., and for the necessary slack to enable the cable to be raised to the surface for repairs.

As the existing lines are amply sufficient to carry a considerable increase on the present traffic, there was no prospect of revenue from the new cable, and the yearly amount necessary to cover interest, working expenses, maintenance, and amortisation was found to be £30,000 for a period of 20 years. In view, however, of the political and strategic advantages of such a connection, which can only be established by means of a submarine cable, and as the cost of aerial lines is always subject to interference, and the messages passing can always be "tapped" by a very simple apparatus, the Company was prepared to bear half the cost, and would therefore accept, as mentioned above, a subsidy of £15,000 p.a. annum, to be apportioned among the Governments interested, as they themselves might arrange.

In 1889 the Government of British North Borneo approached my Directors on the question of laying a cable to connect that territory with the Company's system at Singapore.

This led to further enquiries as to the cost of such a line, touching *en route* at Labuan and Sarawak, and by extension to Hongkong providing the much desired line connecting Hongkong with Singapore, passing through British Territory only. Such a scheme would require 2,500 knots of cable, much of which, owing to the shallow water, and nature of the bottom, would necessarily be of a heavy and expensive type, costing in all about £420,000. To cover, as before, interest, working expenses, maintenance and amortisation, a sum of £40,000 per annum for 20 years would be necessary, of which the Company is prepared to bear one-fourth, leaving the remaining three-fourths to be apportioned among the Communities interested, as they would be materially benefited by being brought into direct communication with each other. As an instance, the Cape of Good Hope may be cited where the telegraph has so largely assisted in developing the mining, industries and the material welfare of the whole of South Africa.

The following division of the subsidy of £40,000 was provisionally suggested:—	
British North Borneo.....	5/4 or say.....£8,542
Hongkong.....	5/4.....8,543
Singapore.....	5/4.....8,543
Sarawak.....	2/4.....4,271
Labuan.....	2/4.....4,271
Making with the Company's 6/24.....	30,750
	102,550

A total of.....£40,000
The totals for both schemes have been stated at the lowest point consistent with the barest business consideration.

With reference to the cost of submarine cable, it may perhaps be admitted that some time since a cable might have been obtained for £100 per knot, which might be serviceable for short distances of say 200 or 300 miles, provided the sea-bottom and other circumstances were favorable.

Even this class of cable however, cannot now be obtained for that sum as the price of gutta percha has nearly doubled, and that of iron and the cost of labor have considerably increased.

Such a type of cable, however, would be utterly unsuited for the long lengths involved in either of the schemes under consideration.

It is a well-proved and fundamental scientific fact that the speed of signalling decreases inversely as the square of the length of the cable. That is, by doubling the length the speed is reduced to one-fourth. It is obvious therefore that for long distances a cable must be made whose speed capacity is proportionately great, a result which is obtained by using a greater quantity of copper and gutta percha, all of the best quality, and the cable must be of the very best manufacture.

It is also obvious that if a cable is put down which works but slowly when perfect, any partial defect which may appear, and defects unfortunately do frequently appear, will render the cable almost entirely useless. It is therefore necessary to provide a type of cable which has a sufficient margin of efficiency to enable traffic to pass even when it is defective, until the repairing steamer is able to remove the fault.

We are perfectly satisfied, therefore, that in view of the requirements and of the increased cost of material and manufacture, a suitable cable for either of the proposed routes cannot be obtained under the figure at which we have estimated them, indeed, we believe that the cost will prove to have been anything underestimated.

Our cable laid in 1882 between Hongkong and Shanghai is 965 knots in length, the contract cost owing to

